

TRANSPORTATION SOLUTIONS DEFENSE AND EDUCATION FUND

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June 6, 2005
By E-mail

Jon Rubin, Chair
Metropolitan Transportation Commission
101 Eighth Street
Oakland, CA 94607

Re: Draft TOD Policy

Dear Mr. Rubin:

TRANSDEF has advocated for a formal linkage between transportation investment and land use planning throughout the past decade. We are pleased that MTC is now taking steps to adopt a formal policy toward this end as part of Resolution 3434. We congratulate MTC for doing so, but request that the following comments be considered as the policy nears a final debate:

The Policy Development Process Forgot to Ask "Where Do We Want To Go?"

The most striking thing about the proposed policy is the absence of explicit land use goals. The policy is not identified as a means of achieving either the Smart Growth Vision, *Projections 2003* levels for 2030, relief for the tremendous housing shortage suffered by the region, or any other land use goal. This is a squandered opportunity for a potentially very powerful tool.

The weakest part of the Regional Agencies Smart Growth process was its inability to identify enough incentives to generate confidence that local jurisdictions would shift their land use planning to accomplish the Smart Growth Vision. A TOD policy has long been recognized by TRANSDEF and others as the most readily available incentive for Smart Growth: the driver is a very large pool of already existing discretionary dollars. While the region now has a policy-based *Projections*, it does not have a viable plan to attain those projections. The draft TOD Policy is AWOL from assisting in that effort.

Without a clearly articulated goal, decisionmakers have no framework within which to make tradeoffs. Without a regional land use goal, the TOD Policy stands in isolation, justified only by its beneficial impact on transit cost-effectiveness. While the decision to

downplay land use goals is understandable for a conventional transportation agency, that decision shirks MTC's responsibility to maximally flex its powers towards the attainment of the regional goals defined by the Joint Planning Committee.

This is a new day, with difficult problems that can not be solved by traditional compartmentalized agencies. TRANSDEF believes that the regional interagency cooperation occurring at the JPC is vital to the future of the Bay Area. The TOD Policy can and should be an important part of the solution. We are concerned that the TOD Policy was conceived without linking to its role in achieving regional land use goals. Perhaps the best way to accomplish this would be for MTC to formally adopt the policy as the exercise of its powers on behalf of the JPC, in furtherance of goals set by the latter.

Decisionmakers Are Not Being Asked for Their Judgment on Thresholds

Any policy that attempts to link land use decisionmaking with transportation decisionmaking must necessarily balance the sensitivities of local jurisdictions with the needs of the region. By its very nature, this is a political decision. However, Commissioners are not being asked to weigh a series of options for setting threshold levels. While they did exercise their judgment earlier on a matrix of options, they are now being presented with a proposed policy in which the balance point for thresholds has been pre-digested, leaving only decisionmakers only a rubber-stamping. TRANSDEF believes that the policy being proposed by staff falls on the timid side of the balance, thereby shortchanging the region, and preventing it from achieving the Smart Growth goals set through the Regional Agencies process.

This might not be recognized as a problem, except that modelling done for the 2005 RTP indicated the potential benefit to the region from locating as high a percentage of new residents of the region in TOD as possible:

...compared to all the alternatives, the land use and pricing assumptions in the TRANSDEF Smart Growth result in the most significant changes in the transportation mode share compared to the Proposed Project—a 4.1 percent reduction in auto use, 28.2 percent increase in transit use, and about 7 percent increase each in bicycling and walking. (RTP EIR, p. 3.1-11)

Amongst the alternatives, the TRANSDEF Smart Growth alternative results in the greatest improvement in job access by autos and transit (e.g., for jobs within 45 minutes, a 13.9 percent increase by transit and 5.1 percent increase by auto) compared to the Proposed Project. This improvement in accessibility to jobs is due to the approach taken by

TRANSDEF to redistribute regional growth and further intensify new development densities beyond ABAG's *Projections 2003*. (RTP EIR, p. 3.1-13)

MTC's own modelling testifies to the regional transportation benefits of TOD. MTC staff knows that making the region a liveable place in the future depends on having as high a percentage of future population living in TOD as can be made politically acceptable. And yet, Commissioners are being left out of the process of determining the "sweet spot" where local jurisdictions' feel their concerns are being fully considered, while the region's benefits are optimized. MTC would benefit from using the Joint Policy Committee's expertise in making the judgment calls.

The Proposed Thresholds Are Much Too Low

After consulting the Calthorpe Associates memo of May 6, 2005, entitled 'MTC Resolution 3434 TOD Policy Evaluation and Recommendations,' it is clear that systematic decisions were made that resulted in overly low proposed thresholds.

1. The initial ranges of thresholds emerged from a 'black box' deep within MTC headquarters, with no visible methodology as to where these levels came from. This is troubling, because they bear no obvious relationship to either Census 2000 levels, *Projections 2003* levels (for 2030), or Generalized Planned Land Use estimates, which were developed from ABAG data. No pattern was discernable as to how the proposed threshold levels were set.

This 'black box' was never the subject of public input—there were no meetings to discuss how the thresholds should be developed. Had there been an opening for public input, TRANSDEF would have urged that the range of possible thresholds studied by MTC and its consultants include an aggressive Smart Growth option. The EIR quotations above demonstrate the potential benefits that would be derived from such an alternative threshold. It is clear from later discussions that no such option was studied.

2. While the decision to set different thresholds for different modes was a reasonable one, it was unreasonable to place established stations under the same threshold as new ones. This most glaringly could be seen for the Dumbarton Corridor, where existing development already meets the threshold. Because the purpose of the policy is to serve as an incentive for further transit oriented development wherever possible, it is contrary to the entire purpose of the undertaking to have such a result! One way to remedy this would be to set an alternative threshold for existing stations as a specified percentage increase above current housing levels.

3. TRANSDEF was dumbstruck to see that the proposed single thresholds (the initial proposal contained threshold ranges—for the latest draft, the bottom of the range was

selected) fell almost entirely within the range of high and low estimates of General Plan buildout. This means that the thresholds could be reached without any General Plan changes and without all parcels needing to be built out to Plan maximums. Given how suburban the Bay Area currently is, the implication is that the likely effect of the proposed thresholds will be modest, with station areas remaining suburban rather than being transformed into urban spaces. It would appear (no analysis has been done yet, unfortunately) that the benefits of the proposed policy will be only marginal at the macro scale. It is clear that choices were made to not cause controversy at the local scale.

4. The CTOD methodology was quite conservative, with feasibility based solely on development of existing vacant lots and parking lots, without any other redevelopment. These are relatively easy parcels to develop in the near term, while redevelopment of existing buildings is likely to be more complicated and less certain. The TRANSDEF Smart Growth RTP Alternative, for example, contained land use based on the redevelopment of outmoded malls and strip centers, with existing residential neighborhoods largely protected from change. CTOD did not assume reuse of those resources.

Over the long term, neighborhoods cycle through fashionability into decline and then come back. CTOD looks at a only relatively small portion of the cycle. A goal of the policy should be to encourage more intense redevelopment than General Plans allow. That's what incentives are for! TRANSDEF believes the policy should be to encourage more redevelopment over a longer time frame than the one examined by the CTOD methodology.

5. The CTOD feasibility analyses acts as suspenders to the belt of the *Projections 2003* process itself. *Projections 2003* was designed to be the feasible version of the Smart Growth Scenario. It underwent an apparently rigorous check to make sure that land use intensification could be accomplished at specific locations, within the plan horizon. *Projections 2003* was controversial when proposed, because it did not accomplish the goals of the Smart Growth Vision. At that time, ABAG staff stated that the incentives needed to reach even *Projections'* lowered goals had not yet been identified. Adding another feasibility screen on top of *Projections 2003* just pushes the region's land use further away from the Vision. The TOD Policy should be designed to assist in at least meeting, or preferably exceeding, *Projections 2003* levels.

6. Combining housing units and jobs into a single measure creates an equivalency between these two data elements that inevitably will induce jurisdictions to favor jobs over housing, due to the substantially lower cost of creating space for a job as compared to a dwelling unit. If it is deemed necessary to combine the two into a measure (TRANSDEF is unconvinced that jobs need incentives, given the region's historic overproduction of jobs as compared to housing), there needs to be a reasonable procedure proposed establishing an equivalency other than one-to-one.

7. The region is suffering from an intense housing shortage, driving housing prices into the stratosphere. The proposed policy fails to take the housing shortage seriously, and deals with it only peripherally. If the region did enter into a crash TOD building program, the future could be shifted away from current trends.

8. Not enough information has been made public to enable TRANSDEF to suggest a specific numeric increase to the proposed thresholds. We believe the process of setting the thresholds needs to be both comprehensive and transparent, considering both the amount of change needed beyond current General Plan levels and the benefit to the region.

Not Enough Focus on Mixed Use

At a recent event for World Environment Day, Andres Duany, the leading exponent of New Urbanism, said "Density is unacceptable without the compensation of urbanism. That's why suburbs hate density." TRANSDEF is concerned that the passing reference to mixed use in the policy's section on Station Area Plans will not be adequate in providing direction to cities about the necessity of urbanism. Obviously, the policy was crafted to reduce tension between MTC and local agencies by avoiding prescriptive language. However, the policy as written could possibly result in the approval of jobs-only or housing-only plans, which would fail to accomplish the key goal of TOD: to reduce auto trip generation. Providing neighborhood convenience retail along with multi-family housing or office uses is essential. Because these plans are likely to trigger CEQA review, necessitating traffic modelling, perhaps a minimum non-single-occupant-auto mode share should be mandated.

MTC Should Send Staff to Environmental Events

The above cited event would have been a valuable in-service training for MTC staff. Exposure to recent trends in environmental thinking and planning practice would benefit the staff, enabling them to better see the link between their work and global concerns. For example, a June 14 event by the Post Carbon Institute will bring together leading figures examining the future of oil. See <http://www.suesupriano.com/events.html>

The Policy Needs to Punish Backsliding

The draft policy does nothing to deter jurisdictions from 'gaming the system.' There are no consequences now for a jurisdiction adopting a station area plan, meeting MTC's test, securing the release of construction funds, and then returning to a previous plan. While this scenario may be remote, there should be a policy in place to indicate that consequences would arise. One possibility is that environmental review of a station area plan should be structured to identify regional benefits of the plan. Should those benefits be withdrawn as a result of the readoption of an older plan, MTC should be public in stating that mitigation, likely to be costly, would be required.

Contra Costa is a Special Case, and Should Not Drive the Policy

Because of the unusually low densities planned for Eastern Contra Costa County, e-BART represents a special case for TOD policy. TRANSDEF suggests that in setting thresholds, Contra Costa should be initially ignored. Once the principles for the policy have been firmly established, it would then be appropriate to evaluate Contra Costa. That way, the policy will be allowed to work as intended: an incentive to carry appropriate amounts of development around costly transit systems. Otherwise, land use planning that is harmful to the region would be rewarded by accommodating the policy to it.

Do Not Expand the Station Area Definition

The SMART Board will be considering a proposal to recommend that the TOD Policy enhance the size of the station area to encompass shuttle bus and bikeway catchment areas. TRANSDEF strongly disagrees with that proposal. Its only function would be to increase the likelihood of meeting the threshold, while doing nothing to ensure the adoption of plans for mixed use transit oriented development.

Conclusion

TRANSDEF appreciates this opportunity to offer comment in what may become the most important policy debate MTC has ever had. We congratulate MTC on recognizing the importance of a strong linkage between transportation planning and land use planning, and hope that the final adopted policy will be closer to what is discussed above than to the draft policy.

Sincerely,

/s/ David Schonbrunn

David Schonbrunn,
President

cc: Commissioner Kinsey, MTC
Ted Droettboom, JPC